



EXECUTIVE OFFICE OF THE PRESIDENT  
OFFICE OF MANAGEMENT AND BUDGET  
WASHINGTON, D.C. 20503

October 8, 1987

Honorable Silvio Conte  
Committee on Appropriations  
House of Representatives  
Washington, D.C. 20515

Dear Sir:

As we discussed on October 6, 1987, the Administration opposes section 622 of H.R. 2907, the FY 1988 Treasury/Postal Service Appropriations bill. This language, which would require reimbursement for all Federal agency details in excess of sixty days beginning in FY 1989, is simply unworkable in its current form and should be deleted.

In concept, section 622, which would force Federal agency budgets to accurately reflect the true costs of staff, is sound. Agencies should be accountable for their use of details and Congress certainly has a legitimate right to have information on the use of details in the Executive Branch. For these reasons, we would support a reporting requirement. However, a limited exception should be provided for certain intelligence related functions.

In practice, section 622 would: reduce the Executive Branch's flexibility in key areas of national security; undermine our ability to respond to crises; undermine the effective management of the Federal Government; and, result in increased costs because it creates incentives for agencies to duplicate functions that they may need in an emergency.

An excellent example of a project that could have been undermined if this language were enacted is [REDACTED]

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Our analysis of the consequences of this language is not yet complete. However, certain problems are obvious. The State and Defense Departments, National Security Council and Central Intelligence Agency all use details that exceed sixty days for insuring our nation's security. Each of the agencies use details to acquire specialized skills on a short-term basis to respond to crises. Since these crises can not be anticipated, funds are not written into the budget and are not available for reimbursement. Brief descriptions of how section 622 impacts on this and related problems for each agency follow:

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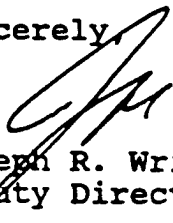
As Rhett Dawson explained in his letter to Rep. Skeen and Chairman Roybal dated September 14 (copy attached), in order to respond to concerns raised by the July 22 GAO report on details to the White House, specific reporting requirements and other procedures have been established. We believe detailees to EXOP have and will continue to perform valuable services for the Presidency. The White House needs flexibility to be effectively managed and current law (P.L. 95-570) provides that flexibility.

One of our most serious concerns with section 622 is that it will result in increased costs. By requiring reimbursement for all details in excess of sixty days, agencies will not be able to rely on other agencies to provide details. The chilling effect that the requirement will have on details will create an incentive for each agency to establish their own capacity to respond to emergencies that may or may not occur. Such duplication of skills and functions is both costly and unnecessary. In addition, the amendment will lead to a reduction in cross-fertilization between agencies which benefits the Executive Branch.

Finally, at no time during the development of this provision has a compelling argument been made for why agencies should be required to reimburse the employing agency for detailees who are in fact just doing the job of their agency.

For the many reasons discussed above, we urge you to work with the conferees to have this language deleted. As always, I appreciate your support.

Sincerely,

  
Joseph R. Wright, Jr.  
Deputy Director

THE WHITE HOUSE

WASHINGTON

September 14, 1987

Dear Representative Skeen:

I would like to share with you the manner in which we will modify our procedures to accommodate the concerns which were raised by the July 22, 1987 General Accounting Office (GAO) report to the Chairman, Committee on Post Office and Civil Service, House of Representatives, entitled "Detailing of Federal Employees to the White House."

As is clear from the report, the GAO and the White House Office have differing interpretations of the requirements of Public Law 95-570. Based upon legal and factual analysis (including the practices of prior Administrations predating Public Law 95-570), we do not agree with the statements in the report that the White House Office was underreporting employees who are detailed into the Office of Presidential Personnel. We simply did not believe they were subject to reporting under our analysis of the statute.

Nevertheless, out of an abundance of caution, I have instituted the following procedures which will be effective with the start of the upcoming fiscal year. Under the provisions of section 3a of Public Law 95-570 (3 U.S.C. 112 and 113) in addition to those previously reported, we will also report employees detailed to the Office of Presidential Personnel for more than 30 days and will reimburse the detailing agency for the services performed by a detailee in excess of 180 days in a fiscal year which are not performed in support of the detailing agency purposes. To facilitate reporting, we are now reviewing the functions performed by employees in the Office of Presidential Personnel. We will then work with the detailing agencies so that detailees covered under the provisions of 3 U.S.C. 112 and 113 are properly reported and reimbursement made when appropriate.

I have instructed our personnel office in the White House to work more closely with their counterparts in the agencies to insure that the performance of these detailees and any subsequent promotions are properly documented. As a further precautionary measure, the personnel office in the Office of Administration has been instructed to monitor the assignment of all detailees to agencies in the Executive Office of the President. To ensure proper reimbursement of detailees, I have instructed the financial office in the Office of

Administration to more closely enforce the existing inter-agency agreement process so that proper documentation exists for each detailee. Responsibility for requesting payment must remain with the detailing agency, but those agencies which do not request reimbursement will likewise be monitored.

The other Executive Office of the President agencies covered by Public Law 95-570 have been notified of GAO's concerns and the aforementioned actions taken by the White House Office.

We believe that detailees have and will continue to perform valuable services for the Presidency. Public Law 95-570 is in itself a Congressional recognition of the need for flexibility in managing the White House. I appreciate your past support of the White House and agencies in the Executive Office of the President and am happy to provide any assistance in this matter.

Sincerely,



Rhett B. Dawson  
Assistant to the President for Operations

The Honorable Joe Skeen  
Subcommittee on the Treasury, Postal Service,  
and General Government Appropriations  
U.S. House of Representatives  
Washington, D.C. 20515